



Federal Communications Commission  
Washington, D.C. 20554

December 5, 2005

DOCKET FILE COPY ORIGINAL

*Via U.S. Mail and Electronic Mail*

Steven N. Teplitz  
Susan A. Mort  
Time Warner Inc.  
800 Connecticut Ave., N.W.  
Washington, DC 20006

Aaron I. Fleischman  
Arthur H. Harding  
Seth A. Davidson  
Craig A. Gilley  
Fleischman and Walsh, L.L.P.  
1919 Pennsylvania Ave., N.W.  
Washington, DC 20006

**Re: Consolidated Application for Authority to Transfer Control  
MB Docket No. 05-192**

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Dear Ms. Mort and Messrs. Teplitz, Fleischman, Harding, Davidson, and Gilley:

On May 18, 2005, the Commission received a consolidated application from Adelphia Communications Corporation, Time Warner Inc., and Comcast Corporation (the "Applicants") to transfer control of various Commission licenses and authorizations held by the Applicants and their wholly- or majority-owned subsidiaries.<sup>1</sup> The proposed license transfers and assignments are associated with a series of transactions that when completed would effectuate the sale of certain cable systems and assets of Adelphia and its affiliates and related entities to subsidiaries or affiliates of Time Warner; the sale of certain cable systems and assets of Adelphia to subsidiaries or affiliates of Comcast; the exchange of certain cable systems and assets between affiliates or subsidiaries of Time Warner and Comcast; and the redemption of Comcast's interest in Time Warner Cable Inc. and Time Warner Entertainment Company, L.P. In order for the Commission to review the application and make the necessary public interest findings under section 310(d) of the Communications Act,<sup>2</sup> we require additional information and clarification of certain matters discussed in the application.

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<sup>1</sup> The application was submitted pursuant to Sections 214 and 310(d) of the Communications Act of 1934. 47 U.S.C. §§ 214, 310(d).

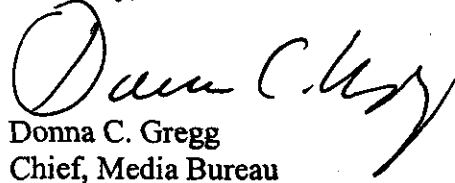
<sup>2</sup> *Id.* § 310(d).

Accordingly, pursuant to section 308(b) of the Act,<sup>3</sup> we request that you provide written responses and supporting documentation for the questions set forth in the attached Information and Document Request and, where appropriate, amend the application to reflect such responses. In order to expedite consideration of your application, we would appreciate receiving your response to each inquiry no later than December 19, 2005. Information and documents called for by the requests, as well as narrative responses, should be grouped based on the request to which they are responsive. All such material shall be so marked and shall be separated from the responses to other requests.

Your responses should be filed with Marlene H. Dortch, Secretary, FCC, under reference number MB Docket No. 05-192. For any responses that contain confidential or proprietary information, please follow the filing instructions set forth in the Protective Order.<sup>4</sup> For any responses that are submitted on paper that do not contain confidential or proprietary information, please file the original plus four copies with the Secretary's Office in accordance with the filing instructions set forth in the Public Notice.<sup>5</sup> For any responses filed electronically in accordance with the Public Notice's instructions for electronic filings, please also deliver two paper copies of the filing to Julie Salovaara or Brenda Lewis, Media Bureau, Federal Communications Commission, 445 12<sup>th</sup> Street, S.W., Washington, DC 20554. One copy of any filing that does not contain confidential or proprietary information must be sent to the Commission's duplicating contractor, Best Copy and Printing, Inc., as described in the Public Notice.<sup>6</sup>

If you have any questions regarding this matter, please contact Julie Salovaara, Media Bureau, at 202-418-0783.

Sincerely,



Donna C. Gregg  
Chief, Media Bureau

Attachment

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<sup>3</sup> *Id.* § 308(b); *see also* 47 C.F.R. § 1.65.

<sup>4</sup> *See In the Matter of Applications for Consent to the Assignment and/or Transfer of Control of Licenses, Adelphia Communications Corporation, (and subsidiaries, debtors-in-possession), Assignors, to Time Warner Cable Inc. (subsidiaries), Assignees; Adelphia Communications Corporation, (and subsidiaries, debtors-in-possession), Assignors and Transferors, to Comcast Corporation (subsidiaries), Assignees and Transferees; Comcast Corporation, Transferor, to Time Warner Inc., Transferee; Time Warner Inc., Transferor, to Comcast Corporation, Transferee, Order Adopting Protective Order, MB Docket No. 05-192, DA 05-1673 (rel. June 16, 2005) ("Protective Order") at ¶ 3.*

<sup>5</sup> *See Adelphia Communications Corporation, Debtor-In-Possession, Time Warner Inc. and Comcast Corporation Seek Approval To Transfer Control and/or Assign FCC Authorizations and Licenses, Public Notice, MB Docket No. 05-192, DA 05-1591 (rel. June 2, 2005) ("Public Notice") at 4-5.*

<sup>6</sup> Public Notice at 5.

**MB Docket No. 05-192**  
**INFORMATION AND DOCUMENT REQUEST**  
**December 5, 2005**

**I. Corporate and Other Documents**

A. Explain, by means of a flow chart/organizational chart or series of such charts, how the transactions set forth in the Exchange Agreement, will proceed. Include in such charts a description of the assets, including the identity of the owner of such assets, which will be placed in each company prior to the stock swaps described in such Exchange Agreement.

B. Provide all portions of Documents provided at Exhibits A-O of the Public Interest Statement that were omitted from the Application and that have not been provided to date.

C. How are the lock up and tolling agreements set forth in section 2.3 of the Redemption Agreement (Exhibit D) and section 2.3 of the Redemption Agreement (Exhibit E) respectively, compatible with the Comcast Trustee's duty to dispose of the trust assets as soon as practicable?

**II. Services, Systems, and Subscribers**

A. Identify each Cable System owned, operated, managed, or attributed to the Company as of June 30, 2005, and for each provide the following.

1. the Physical System IDs (PSID) and Community Unit IDs (CUID)
2. Nielsen Designated Market Area(s) containing the System
3. counties served by the System
4. Cluster containing the System
5. the date that the Company acquired an attributable interest in the System, and if acquired in the previous three years, the previous owner of the Company's interest
6. the Economic Interest held by each of the Applicants
7. changes in the Economic Interests of each of the Applicants if the license transfer is approved
8. whether the Company currently manages the System and the division of the Company responsible for managing the System

9. whether the Company will manage the System if the license transfer is approved

10. list competing MVPDs, excluding private cable and wireless cable operators, and the technology used by the competitor (wired or satellite)

B. For the Cable Systems identified in II.A. that are operated or managed by the Company, for each of the previous four quarters, provide the following at the most granular reporting level retained in the ordinary course of business.

1. the number of households for which each of the following services were available:

- a) Basic Cable
- b) Expanded Basic Cable
- c) Digital Cable
- d) Residential High-speed Internet Access
- e) Telephony

2. total Subscribers for each of the following services:

- a) Basic Cable
- b) Expanded Basic Cable
- c) Digital Cable
- d) Residential High-speed Internet Access
- e) Telephony

3. average monthly churn among Subscribers, expressed as a percentage, for each of the following services:

- a) Basic Cable
- b) Expanded Basic Cable
- c) Digital Cable
- d) Residential High-speed Internet Access
- e) Telephony
- f) cable television service and Residential High-speed Internet Access
- g) cable television service, Residential High-speed Internet Access, and Telephony

C. For the Cable Systems identified in II.A. that are operated or managed by the Company, provide, at the most granular reporting level retained in the ordinary course of business, the average revenue per Subscriber, gross margin per Subscriber, and operating margin per Subscriber for each of the previous four quarters for the following services. In addition, provide an explanation of the methods used to allocate multi-product discounts to the individual product lines.

- 1. Basic Cable
- 2. Expanded Basic Cable
- 3. Digital Cable
- 4. Residential High-speed Internet Access
- 5. Telephony

6. cable television service and Residential High-speed Internet Access
7. cable television service, Residential High-speed Internet Access, and Telephony

D. Provide information on all promotions for packages that include either Residential High-speed Internet Access or video programming offered during the previous year that require a minimum subscription period or that involve a termination fee. The time period for which the promotions were in effect should be specified, as should the number of customers that took advantage of the discounts. Provide all Documents created in the previous twelve months on plans and strategies for promotions that require a minimum subscription period or that involve a termination fee.

E. Provide all Documents relating to pricing and promotions for MVPD service that target the customers of competing MVPDs and strategies of bundling MVPD service with other services that target the customers of competing MVPDs.

F. Provide all work papers and supporting details for the attributable Subscriber totals of the Applicants discussed on pages 73-75 in the Public Interest Statement.

G. With respect to the DMA-level Subscriber data provided on June 21, 2005, restate any figures that do not include all Subscribers attributable to any Applicant and identify any other entity to which such Subscribers are attributable. Provide all work papers and supporting details for these calculations.

H. Provide all Documents relating to the effects of geographic rationalization or Clustering with respect to the operation of Cable Systems and the provision of programming or other services on such Systems, including Documents relating to the business case for the transactions at issue as they pertain to geographic rationalization or Clustering.

### III. Video Programming

A. Identify each Sports Programming Network distributed in the U.S. that the Company owns, controls, or in which it has an attributable interest, and for each network with a Sports Programming Network Market that contains a cable system that will experience a change in an Applicant's Economic Interest, state the following.

1. the Economic and debt interest held by each of the Applicants and by any Sports Teams, Leagues, and Organizations
2. changes in the Economic and debt interests of each of the Applicants and any Sports Teams, Leagues, and Organizations if the license transfer is approved
3. the launch date
4. the geographic areas in which the network is distributed

5. the identity of the Sports Teams, Leagues, or Organizations whose distribution rights are held by the network, and for each such network:

- a) the official name of the Team, League, or Organization and the sport played
- b) the term of the contract that grants the right to distribute the Sports Programming and whether the Company has a right of first refusal
- c) the geographic area in which the network has rights to distribute the Sports Programming
- d) the number of Live events entitled to be distributed Live annually by the network under the agreement
- e) the number of Live events licensed annually to the network in which the network has an exclusive license vis-à-vis another regional sports network.
- f) the total number of Live events that the Team, League, or Organization could make available annually to video programmers and the actual number of Live events it makes available to all video programmers

B. For each Sports Programming Network responsive to III.A., provide the following, for the previous four quarters and each year since January 1, 2002.

1. the number of Subscribers
2. affiliate revenues
3. advertising revenues
4. other revenues (describe briefly)
5. the viewer rating, share, and weekly cumulative audience by:
  - a) all persons
  - b) persons aged 18-49
  - c) men aged 18-49

C. For each Sports Programming Network responsive to III.A., identify the MVPDs that distribute the network and, for each MVPD, state the following.

1. the date when the network was first carried
2. whether the network is carried on an analog or a digital tier
3. all periods of time in which the MVPD's right to carry the network lapsed and carriage of the network ceased
4. the date of expiration of the contract under which the network is currently distributed

5. the number of Subscribers to the MVPD that received the network for the previous four quarters
6. for each of the previous four quarters, the total revenues received by the Company from the MVPD in exchange for distribution of the network and total revenue categorized by:
  - a) subscription fees
  - b) other sources of revenue (with a brief description)
7. the number of advertising minutes made available for use by the MVPD for each of the previous four quarters
8. for each of the previous four quarters, total payments made to the MVPD categorized by:
  - a) launch fees
  - b) marketing support
  - c) other payments (with a description)

D. With respect to Applicants' refutation of claims regarding the degree of additional regional concentration that will result from the transactions within the footprints of specific regional sports networks (Applicants' Reply at 58 & Exh. G at pp. 15-17), provide all work papers and other Documents that support the stated findings, including the data used to determine the networks' service footprints and the pre- and post-transaction concentration of Subscribers within each footprint.

E. Identify all Sports Teams, Leagues, and Organizations with which the Company or an attributable network has a contract granting distribution rights in the U.S. but is currently not distributing on an attributable Sports Programming Network, and for each state:

1. the official name of the Team, League, or Organization, the sport played, and its home venue
2. the term of the contract that grants the right to distribute the Sports Programming in the U.S. and whether the Company has a right of first refusal
3. the geographic area in which the Company has rights to distribute the Sports Programming
4. the percentage of total Live events entitled to be distributed Live under the agreement and the percentage for which the Live distribution rights are exclusive to video programming channels or cable systems in which the Company has an interest
5. plans to begin distributing Live events in the U.S.

F. For each Company,

1. identify all Video Programming Networks for which the affiliation agreement makes the Company the exclusive cable or MVPD distributor of this programming in any area served by the Company and,
2. for each Video Programming Network listed on the Attachment hereto, provide:
  - a) the Company's Economic and debt interests in the network
  - b) the date the contract began
  - c) the date the contract terminates
  - d) the current monthly per Subscriber fee paid by the Company to the Video Programming Network
  - e) the number of homes passed by Company-attributed Cable Systems transmitting the network on an analog basis
  - f) the number of homes passed by Company-attributed Cable Systems transmitting the network solely on a digital basis
  - g) the number of Company Subscribers purchasing access to the network for each of the previous four quarters
  - h) the revenue from locally inserted advertising earned by the Company for each of the previous four quarters

G. Provide the current affiliation contracts, including all amendments, for each of the following Video Programming Networks:

1. Outdoor Life Network
2. TV One
3. Style Network
4. Turner Classic Movies
5. CNN
6. The Outdoor Channel
7. BET
8. The Black Family Channel
9. Fine Living
10. AMC
11. Fox News Channel

H. With reference to Applicants' Reply at pp. 106-107 and note 351, explain the process by which the Company makes decisions regarding the carriage of specific programming networks, in particular the extent to which carriage decisions are made at the corporate level and/or by individual System managers. Respond to allegations of The America Channel ("TAC") that some networks seeking carriage are given so-called "hunting licenses" authorizing them to negotiate for carriage with System managers, whereas networks affiliated with Comcast are given carriage "commitments" that do not require negotiations for carriage on individual Systems. (See TAC Petition to Deny at 40.)

I. Provide all documents relating to deliberations and decisions to distribute video programming via video-on-demand rather than as a video programming network.



J. Provide all Documents relating to deliberations and decisions to launch new Sports Programming Networks.

K. With respect to the discussion of terrestrial delivery of programming in Applicants' Reply at pp. 53-54:

1. identify the location and nature of the Comcast regional terrestrial networks referenced at p. 54 and explain why Comcast has chosen not to use them for the delivery of regional sports networks, as asserted in the Reply

2. explain whether the regional terrestrial networks and the national fiber network referenced on p. 54 would be suitable for the delivery of programming networks to cable headends such that programming delivered on those networks would not be considered to be "satellite-delivered" for purposes of the Commission's program access rules.

#### IV. Advanced Cable and Other Broadband Services

A. Provide all Documents relating to deliberations and decisions to stop, limit, hinder, slow, or otherwise impede the transmission of information over the Company's Residential High-speed Internet infrastructure based on the software application, source, destination, or other characteristic of the traffic. Documents regarding unsolicited commercial e-mail and malicious software need not be produced.

B. Provide a response to the allegations contained in the Petition to Deny of Free Press, et al., at pages 30-32 regarding the blocking of e-mail from [afterdowningstreet.org](http://afterdowningstreet.org).

C. Describe any and all efforts the Company has undertaken, or plans to undertake, to comply with the Commission's November 28th VoIP 911 deadline. Explain in detail, as a technical matter, how exactly the Company intends to comply for each type of interconnected VoIP offered.

D. How does the Company typically access the 911 tandem or Wireline E911 Network as defined in the VoIP 911 order? Does the Company interconnect directly or indirectly?

E. Is the Company's CPE (e.g., cable modem, MTA, softphone, etc.) capable of being used at locations other than its primary location? Is the Company's CPE capable of being used on other Cable Systems? If the answer to either of these questions is yes, please describe in detail how the Company intends to comply with the Commission's November 28th deadline given the nomadic capability of the Company's CPE.

#### V. Other

- A. Restate the pre-transaction and post-transaction Subscriber counts provided in Applicants' Public Interest Statement for Comcast (pp. 73-75) according to the instructions set forth below in the definition of "Subscriber."
- B. Provide affidavits, one signed by a competent officer of each Applicant, stating, based on the officer's personal knowledge and on penalty of perjury, that the proposed transaction will not result in any violation of the channel occupancy limit, 47 U.S.C. § 613(f)(1)(B), 47 C.F.R. § 76.504.

### **Definitions and Instructions**

For the purposes of this request, the following definitions and instructions apply.

- A. "The Company" means Comcast, Time Warner, or Adelphia.
- B. "Comcast" means Comcast Corporation, its subsidiaries and any affiliate in which it or a subsidiary owns an attributable interest.
- C. "Time Warner" means Time Warner Inc., its subsidiaries and any affiliate in which it or a subsidiary owns an attributable interest.
- D. "Adelphia" means Adelphia Communications Corporation, its subsidiaries and any affiliate in which it or a subsidiary owns an attributable interest.
- E. "Cable System" means the area served by a single headend owned, managed, or attributed to a wireline MVPD such as, but not limited to, a cable system, open video system, or broadband service provider.
- F. "Cluster" means a group of commonly owned or managed Cable Systems in close proximity that are operated on an integrated basis through the use of common personnel, marketing, or shared use of technical facilities.
- G. "Documents" means all computer files and written, recorded, and graphic materials of every kind in the possession, custody or control of the Company. The term "Documents" includes electronic correspondence and drafts of Documents, copies of Documents that are not identical duplicates of the originals, and copies of Documents the originals of which are not in the possession, custody or control of the Company. The term "computer files" includes information stored in, or accessible through, computer or other information retrieval systems. Thus, the Company should produce Documents that exist in machine-readable form, including Documents stored in personal computers, portable computers, workstations, minicomputers, mainframes, servers, backup disks and tapes, archive disks and tapes, and other forms of offline storage, whether on or off Company premises. Electronic mail messages should also be provided, even if only available on backup or archive tapes or disks. Computer files shall be printed and produced in hard copy or produced in machine-readable form

(provided that FCC staff determine prior to submission that it would be in a format that allows the Commission to use the computer files), together with instructions and all other materials necessary to use or interpret the data. Unless otherwise specified, the term "Documents" excludes bills of lading, invoices, purchase orders, customs declarations, and other similar Documents of a purely transactional nature and also excludes architectural plans and engineering blueprints.

- H. "Digital Cable Service" means all video programming packages that contain Video Programming Networks delivered in digital form.
- I. "Economic Interest" means the equity, partnership, or limited liability company membership interest held by an entity.
- J. "Expanded Basic Cable Service" means all video programming packages that consist entirely of Video Programming Networks delivered in analog form (or capable of being delivered in analog form in the case of digital simulcast), excluding the mandatory basic tier containing over-the-air broadcast stations.
- K. "Live" means simultaneous or same-day distribution of the event.
- L. "MVPD" means, and information shall be provided separately for:
  - 1) the local distribution of video programming through terrestrial-based cable transmission facilities by a cable operator or broadband service provider;
  - 2) direct broadcast satellite and direct-to-home services that transmit video programming directly from one or more satellites to subscribers; and
  - 3) the local distribution or provision of video programming through any other means including, but not limited to MMDS, SMATV, OVS, and facilities of common carrier telephone companies or their affiliates.
- M. "Relating to" means in the whole or in part constituting, containing, concerning, discussing, describing, analyzing, identifying, or stating.
- N. "Residential High-speed Internet Access" means Internet access provided over Company-owned or leased infrastructure to residential customers at speeds exceeding 200 kilobits per second (kbps) in at least one direction.
- O. "Sports Programming" is limited to sporting events associated with Sports Teams, Leagues, and Organizations.
- P. "Sports Programming Network" is limited to Video Programming Networks that distributed a minimum of 200 hours of Sports Programming in the previous 12 months. For the purposes of this information and document request, TBS, TNT, Outdoor Life Network, and Empire Sports Network are not considered Sports Programming Networks.

- Q. "Sports Programming Network Market" is the geographic area in which a Sports Programming Network could be made available for sale to MVPDs. For the purposes of determining the market of a Sports Programming Network not owned by the Applicants, reference should be made to the geographic areas defined in Tables 2A and 2B in Exhibit 1 of the Comments of DirecTV, Inc.
- R. "Sports Teams, Leagues, and Organizations" are limited to the National Basketball Association, National Football League, Major League Baseball, National Hockey League, Major League Soccer, NCAA Division 1 Football, and NCAA Division 1 Men's Basketball.
- S. "Subscriber" means any person or entity that subscribes to the referenced service, tier, programming package, or programming network. Subscriber data for services sold on a bulk-billed basis in multiple dwelling units should be stated separately. Responses should explain the method used to calculate subscriber totals for services sold on a bulk-billed basis. Provide information on the approximate relationship between bulk-billed subscriber totals calculated by the "occupiable dwelling unit" method and the "effective billing unit" method.
- T. "Telephony" means voice telecommunications service delivered using circuit-switched or packet-based technology.
- U. "Video Programming Network" is limited to non-broadcast linear video programming networks. For the purposes of this information and Document request it does not include programming offered on a pay-per-view, or video-on-demand basis, or public, educational, and governmental programming carried on channels designated for that purpose by franchise agreements.
- V. Unless otherwise specified, each of the Document or data requests calls for Documents and data for the previous 24 month period.
- W. If a Document is responsive to more than one request, provide it for the first request to which it is responsive, and in later instances where it would be responsive, identify the response in which it was originally submitted.
- X. Responses to items II.A, II.B, II.C, III.A.4, III.A.5, III.B, III.C, and III.F should only be submitted in machine-readable spreadsheet format. Clearly and completely label all columns and rows of the spreadsheet. Indicate the Company and the number and subpart of the request in the title at the top of each spreadsheet, in each spreadsheet's filename, and on the label of each CD submitted.
- Y. Adelphia need not respond to requests II.D, II.E, III.I, III.J, III.K, IV.A, IV.C, IV.D, and V.B.

## Attachment

1. AMC
2. America's Collectibles Network
3. AZN
4. BET
5. Black Family Channel
6. Boomerang
7. Bravo
8. CNN
9. CNN International
10. College Sports TV
11. Discovery Health
12. DIY
13. E!
14. ESPN Classic
15. ESPNews
16. Fine Living
17. Fit TV
18. Fox College Sports Pacific
19. Fox News Channel
20. Fox Reality
21. Fuse
22. G4 Tech TV
23. Game Show Network
24. Golf Channel
25. Lifetime Movie Network
26. LOGO
27. NBA TV
28. Nick Toons
29. Nickelodeon Games & Sports
30. Nickelodeon Too
31. Noggin
32. Outdoor Channel
33. Outdoor Life Network
34. Ovation
35. Oxygen
36. Style Network
37. Trio
38. Turner Classic Movies
39. TV One
40. Word Network